

A special meeting of the East Amwell Township Committee was called to order at 7:30 p.m. Present were Mayor Peter Kneski, Deputy Mayor Linda F. Lenox, and Committee members C. Larry Tatsch and Timothy Martin. Committee member Patricia Cregar was absent. Township Administrator Timothy Matheny and Treasurer Jane Luhrs were also in attendance.

In compliance with the Open Public Meetings Act, Municipal Clerk Teresa R. Stahl announced notice of this meeting was forwarded to the Hunterdon County Democrat, Times of Trenton, Star Ledger, Courier News, posted on the bulletin board, and filed in the Clerk's Office on February 17, 2010. The purposed of this meeting is to continue discussions on the 2010 budget, and a resolution to enter executive session to discuss contracts and personnel may or may not be approved. The public is invited to attend and comment during the public portion of the meeting. Action may or may not be taken.

For the record, there will be a resolution to enter into executive this evening.

The meeting opened with the Pledge of Allegiance to the American Flag.

Margaret Case, a member of the Amwell Valley Ringoes Rescue Squad (AVRRS), was present to discuss their budget request. She provided three handouts, the AVRRS Budget 2010 in the amount of \$90,750.00 minus a figure for legal fees; the February 16, 2010 Treasurer Report showing \$333,492.37 in Merrill Lynch, \$36,356.84 in Thatcher Account; \$5,000 in escrow; \$2,011.43 in Operations Account, and \$27,425.14 in various categories for insurance; and a table of 2009 expenses broken down by month in the amount of \$111,155.00.

Miss Case said that their call numbers are in the high 400's, commenting on working with Stockton on mutual aid calls, with a majority of their calls in East Amwell and some in Raritan and West Amwell. She further explained that the squad is still in mediation, and they are working on a settlement. Legal bills for the attorney have been over \$37,000 so far. Money in the Merrill Lynch account is still frozen, although \$24,000 was released for legal fees. Depending on the court order, the squad may be responsible for the plaintiff's legal fees also.

Miss Case stated that Mr. Seramba would be looking at the books, and she mentioned that another bill sheet indicated that bills for 2009 were actually \$104,000, not \$111,000. In that event, squad income was \$107,000 last year, and they would be \$3,000 ahead. They held a fund drive last year resulting in \$30,000 in income; another drive was anticipated this year.

Miss Case reiterated that the Merrill Lynch money is frozen, and it includes donations made for the new station. She stated that everyone, including the plaintiffs, realize that a new station will not be built; the current location is better suited for easier highway access, and there is no problem with the Alexauken Creek buffer, i.e., the squad may be able to apply for a variance and build at some point. At some point, donors will be notified that they may either get their donations back or use them for the existing building improvements; they will also be reminded that they will have to notify the IRS and re-file for the tax year that they made the donation if they choose to take the funding back.

The squad is working with the mediator for release of funds, including operating money which was put into the Merrill Lynch account erroneously. She stated that \$86,000 for operations should have been in a separate account.

Mayor Kneski reminded the governing body that the Township's past contribution to the squad was \$29,000 for operations and \$28,000 for capital. Miss Case stated that the squad was saving for a new rig in one or two years, noting that #51 is in poor condition. The fleet includes the following trucks: #52 and #55 are for medical use; #56 is for rescue and includes the Jaws of Life equipment; #58 is the Command rig, used by the Chief or Night Crew for immediate response; #51 is parked in the bay until the mediator allows them to "let it go." Miss Case commented on a move by Flemington-Raritan to take over the AVRRS area for coverage; she explained that AVRRS covers up to County Club Road. She also noted that Flemington charges for calls; however, AVRRS does not want to start charging for calls, noting paperwork involved and the fact that Medicare is slow in paying.

Mr. Tatsch had no concerns about the operating budget, but he asked if the squad had a five year plan to use the capital funding. Miss Case thought that Mr. Reiter was going to be present

tonight to discuss this. She mentioned that the parking lot at the squad building is filled with potholes, and repair estimates are between \$30,000-55,000. She mentioned a "stair-chair" and hydraulic stretchers on a "wish list" but not anticipated to be purchased. Miss Case spoke about a conservative budget, noting that they could not defer necessary items, such as suction units which she explained in detail.

Mayor Kneski commented on his concern about accountability and his request for information on capital funding. Miss Case stated that she would get further information. She is a resident and tax payer in the Township and shares the Township's concerns. She mentioned that if there was difficulty in reinstating the full amount, she would request at least partial funding for purchase of an ambulance. She mentioned that once the Merrill Lynch money was released, that could be used. She mentioned that the squad does have money, which is currently tied up in litigation. She hoped that the matter would be resolved this year, mentioning difficulties in reaching the settlement.

The Committee thanked Miss Case for being present this evening; she will get more information on the capital requests and get back to the governing body.

Bob Kadezabek, DPW Superintendent, was present at this time to discuss capital requests and the DPW budget.

Mrs. Luhrs provided revised sheets, including changes in revenues (construction fees were up, interest from TD Bank went down, receipts for delinquent taxes were put in at a maximum of \$257,000). Tax Assessor Marianne Busher provided the current property valuation of \$787,534,265. Mrs. Luhrs explained that the first column showed a local tax rate of .1585; the second column showed that the Township still needed to cut \$99,324 to stay below the tax levy and produce a tax rate of .1491; the third column showed the municipality not receiving CMPTRA, having a tax rate of .1459, and having no levy cap while still requiring cuts of an additional \$28,109. She further explained that she will be attending seminars at the end of March about budgeting matters. Mayor Kneski believed that he would be finding out about the possible elimination of the tax levy at the Mayors' meeting tomorrow.

The governing body agreed to review the Streets and Road Maintenance sheet first.

Mrs. Luhrs explained that this budget was revised based on 2010 storms and an estimate from the engineer for M & R bids. The original budget for M & R materials was \$42,000, and Mr. O'Neal was recommending \$85,400. Mr. Kadezabek met with Mrs. Luhrs and they came up with a figure of \$66,800 for M & R materials, i.e., reducing the MABC, FOB from 800 to 500 tons. Mr. Kadezabek calculated \$9,000 to sweep cinders and \$2,000 for pipes. Additionally, cinder purchase has been increased this year from \$6,000 to \$10,000 due to severe weather conditions. The budget was increased from \$42,000 to \$77,800 based on the changes.

Deputy Mayor Lenox asked about "doing away" with cinders. Mr. Kadezabek explained that cinders have their place on dirt roads; however, the municipality pays for both applying and sweeping them on other roads, and they are hazardous, once traffic drives over them and imbeds them. Mr. Kadezabek also spoke about problems on the road with snow and ice melting and glazing over with the low temperatures; he commented on receiving phone calls from the State Police and still dealing with ice on roads nine days after a storm.

Mrs. Luhrs commented that residents on Sandra Road would prefer to see salt used rather than cinders. Mr. Kadezabek spoke about the number of messages on his answering machine about road conditions. The DeWaters complaint on Snyderstown Road was mentioned, with Mr. Kadezabek explaining that it took $\frac{3}{4}$ of a day to cut 4 inches of ice and grit on that road.

Mr. Kadezabek explained three choices: 1) continue operations as is, limited salt on specified roads and grit on the rest of the roads; 2) stay with salt and grit on the assigned roads and do nothing on any other roads; or 3) salt all roads. The DPW reviewed the amount of material used, and they were using around 200 tons of salt over 58 miles of road per year. The key to road safety is to use limited salt to keep adhesion of ice off the road and about 90% disappears. Mr. Martin was not in favor of using salt. Mr. Kadezabek voiced his concerns about making sure that the roads were safe.

Mayor Kneski asked about other salt type products; Mr. Martin and Mr. Tatsch explained that some of them were quite expensive. Mr. Kadezabek explained high costs of brine usage, including about \$175,000 for a brine spreader. Mr. Tatsch explained that the most efficient material is calcium chloride, which absorbs moisture and lowers the freezing point of water; second is salt and third is magnesium chloride. Mayor Kneski was not in favor of using brine, and Mr. Kadezabek mentioned problems with hydroplaning on brine treated roads. Mayor Kneski asked about using "magic salt," which he was familiar with in Princeton. This type of product was also quite expensive.

Mr. Tatsch explained that the present use of salt and cinders was beneficial because of the salt, not the cinders, which were being used as fillers. He suggested eliminating the cinders, using the salt and evaluating how little material could be used effectively. Mr. Kadezabek explained that there were 14 miles of roads to be treated with salt, and only 10 tons of material were used; in comparison, the State uses up to 300 tons on Route 12 from Flemington to Frenchtown. Mr. Kadezabek reminded the governing body that this was an exceptional winter after nine years of mild winters.

Mayor Kneski said that the discussions tonight were concerning budgeting numbers, and there would be a discussion on road treatments at the March 11, 2010 meeting. He suggested budgeting numbers for cinders be removed for next year. Mrs. Luhrs stated that the cinders figure would have to remain in the 2010 budget but could be removed in 2011, i.e., \$10,000 for cinders has already been expended and \$9,000 to sweep would need to remain in place. Mr. Kadezabek provided specifics about the amount of time and cost involved with sweeping the cinders.

Mrs. Luhrs felt that the figure for salt could be changed, i.e., the salt contract was booked in October 2009 for purchase up to \$20,800; there may be sufficient funds from 2009 to hold the Township through the end of 2010, and a contract could be awarded in early 2011 to purchase salt for that year. Mr. Kadezabek advised that the Township applies 80-100 tons of grit during a storm, and at this time there is 350 tons in the barn. While last year the Township purchased 300 tons of salt, the contract in 2009 was for 400 tons, and 346 tons were already purchased. All the salt is mixed with grit and stored at the barn; the average application is one-half ton of salt per mile, and the DPW employees use no more than necessary. At this point, some discussion took place about a problem with one of the spreaders on the truck (i.e., a hydraulics problem in the motor); the DPW is attempting a repair. Salt is purchased through the Hunterdon County Cooperative Purchase agreement, and even if the municipality agrees to participate in October, they do not pay for salt until purchased; holding off on purchasing until 2011 will allow payment to come out of that budget. If an emergency arises in November or December 2010, Mrs. Luhrs can transfer funds between line items. A recommendation was made to reduce the salt contract line item from 20,800 to \$10,400.

Mr. Tatsch asked about federal assistance for extraordinary expenses associated with the winter storms; Mr. Matheny explained that the figures are being submitted to Hunterdon County, but likelihood of receiving assistance is minimal.

M & R contract estimates were discussed. Mr. O'Neal put in 800 tons of MABC-FOB; Mr. Kadezabek reduced the number to 500, up from last year because of road edge problems and soft spots due to a high water table. The 800 ton figure by the engineer also took into consideration prep work for the capital project. The NJ DOT grant is for over-lay only and did not include prep work. Some discussion took place on how grant applications are written differently, on using road repair funding to supplement the grant work, and on the engineer's intent to have the Dutch Lane work done before the Wertsville Road project this summer.

By reducing the tonnage for MABC FOB from 800 to 500 tons, it was calculated to reduce the expense from \$49,600 to \$31,000, thus reducing M & R materials to \$66,800, based on the cost estimates provided by the Treasurer. Stone materials costs are going up if oil goes up, and less material will be able to be purchased. The governing body accepted the M & R materials estimates as provided.

The Capital Projects sheet provided by Mrs. Luhrs was reviewed. An adjustment to the budget (based on the last meeting) was changed from \$59,000 to \$9,500. Two additional sheets accompanying the capital projects sheet included the engineer's 2010 Draft Capital Road

Improvements Program sheet and the Equipment and Vehicle Update-2010 for Vehicles to be Replaced in 2010. There are three road ordinances that can be cancelled and funding put back into the capital account, i.e., Ordinance 09-06 (\$1,595), Ordinance 09-08 (\$20,593), and Ordinance 08-16 (\$49,957). There was also a line item in 2009 to allocate \$10,000 for road signs, which was never funded. There was \$4,000 for the five-year road plan, which was utilized. Mayor Kneski mentioned that the five-year plan will be updated annually, and \$1,000 should be put in the budget to update the plan every spring or fall. Mrs. Luhrs explained that the funding could be placed in the category "Reserve for Future Road Projects."

Some discussion took place about Back Brook Road, which was funded in stages and work done on either end of the road. The middle of the road was left undone, and the state has advised the engineer that the remainder of the work on the road can be done under the existing open grant, which still has \$136,000 left. Mrs. Luhrs and the engineer are working on financial matters related to this grant.

The vehicle list was reviewed, with the following comments:

- 1996 Ford F-350 Mason Dump: The truck is on limited use now and purchase of a new truck could wait until next year. Mr. Kadezabek reminded the governing body that they also saved \$130,000 last year by not purchasing a truck at that time. He advised that there are many times when two trucks are necessary, but he would be able to hold off another year.
- New Power Angel Plow for Truck #7: The plow could be used by all large dump trucks, and the price may be cut from \$9,500, depending on the type of plow purchased. Mr. Kadezabek is looking at a less expensive plow used by Delaware Township. This item will remain in the budget.
- 1992 Toro Grounds Master Mower is worn out. A zero turn replacement will cost \$12,000 and is warranted at this time. A new mower was purchased two years ago and is in constant use. Some discussion took place about the possible inter-local agreement with East Amwell Township School and the purchase of a mower through a SHARE grant at the state. There is a moratorium on funding at the state at this time, and the agreement (part of the application) has yet to be finalized. A recommendation was made to leave this item in the capital budget and not appropriate funds until information on whether the grant has been received or not. Mr. Kadezabek will continue to use this mower in the fleet until "it dies." Hydraulic lines (2) would have to be replaced at \$1,200 a piece, and another deck (one was replaced already) would be around \$4,000. An agreement was reached to leave this item in the budget.

Mr. Tatsch asked for a perspective on the capital budget. Mrs. Luhrs provided the following information, adding that the capital "is in good shape." There is over \$205,000 in the capital improvement fund, canceling ordinances as discussed above will put over \$72,000 more into the fund for a balance of \$277,923. Mrs. Luhrs explained that it was necessary to keep \$75,000 in the capital improvement fund to deal with an exception to the levy cap.

Discussion took place about the Back Brook and Dutch Lane projects; Mrs. Luhrs explained that there was not enough to cover both projects if the expectation is that the work had to be done within the next couple of months. She further explained that the Township may have to borrow to do the work, and they have never borrowed for roads. Since there are many roads in dire need of repair, the Township may consider bonding \$500,000 for all the road projects (as shown on Mr. O'Neal's road project cost estimate sheet) instead of waiting for grants. She concluded that there is \$277,923 in the capital account, with a request for capital appropriations of \$338,600, minus the \$70,000 deferred for the mason dump truck.

- 2000 TS 100 Tractor and a US Boom Mower: The teeth on the mower are worn and it will be difficult to get replacement parts since this type of head is no longer made. A replacement head would cost around \$10,000. Reference was made to a boom mower proposed by the previous DPW Superintendent in 2007, with problems noted in Bedminster and Franklin Township when similar equipment was purchased. Mr. Kadezabek explained that a rear mounted machine is most effective, and the current equipment is mid-mounted. Mr. Martin asked a question about the other mowers used

now, which was explained to him. Mr. Matheny reminded the governing body that none of the other equipment could replace the boom mower, which is used for bank mowing. Replacing the head and getting a rear mount for the existing mower may be a possibility and Mr. Kadezabek may try to repair the blades he has now. A recommendation was made to hold this item.

- Motorized Bed Edger: Cost for an edger in a rental fleet is \$2,400 rather than \$4,000 for a brand new model. Use of the motorized edger was seen as a productivity enhancer using less man-hours for edging work, and the item will remain in the capital budget.
- 97 F350 Pick Up: The vehicle has 71,000 miles and is experiencing transmission problems along with brake and ball joint problems. Total cost for a new truck and plow is \$65,000. Some discussion took place about looking for another, more economical vehicle, but a final decision was made to leave this item in the budget. Further discussion took place, noting that there was a safety issue to be addressed by replacing this truck, and the plow would be a benefit. Mr. Kadezabek will look for other estimates to reduce the cost, and if the figure comes down, the boom mower head replacement may be considered.

Mr. Tatsch asked how the capital expenditures effect the entire budget. Mrs. Luhrs explained that the \$338,600 for capital improvements affects the budget; however, this figure was reduced tonight by \$80,000 to a figure of \$258,000. She reiterated the need to leave \$75,000 in the capital improvement fund for tax levy purposes, and she suggested funding \$75,000 - \$100,000 in that line each year as a good planning tool. Some discussion took place about this item.

Conclusion was reached to look at the figures in the capital budget as discussed this evening; the items may be revisited and numbers adjusted before introduction of the budget, based on the estimates Mr. Kadezabek receives.

Mrs. Luhrs noted that Engineer O'Neal wanted to have the Dutch Lane project completed before the County begins work on the Wertsville Road bridge, and there is not a lot of time to introduce an ordinance. The letter from NJ DOT states that the contract award does not have to take place until July 2011. Mrs. Luhrs also noted that an easement must be obtained, and there will be additional legal expenses involved. She asked if this project should be rushed or wait until after the County completes their work. Mr. Kadezabek explained that they are doing minimal maintenance repairs on the road now. Mrs. Luhrs also explained that Mr. O'Neal is cautious about getting the work done in order to qualify for future grants.

Mayor Kneski spoke about the reconfiguration of the intersection at Dutch Lane and Wertsville Road, with possible regrading and overlay by the County; he would rather see the Township tie into the County work rather than visa versa. Additionally, Dutch Lane will be part of a detour route, and having additional traffic on the current surface may lessen impact on the repaired road. There was a consensus to hold off on this project until after the Wertsville Road repair and award in January or February 2011.

The Township Committee thanked Mr. Kadezabek for his appearance this evening. He asked about the upcoming storm and grit use. He was directed to make normal applications of grit until material is used up. Mr. Kadezabek left the meeting at this time.

Mrs. Luhrs mentioned outstanding Clawson Park ordinances over five years old that were still not closed, i.e., 01-14 was for payment to Makrancy, which was never released; 05-13 and 06-18 were for park expenses; it was suggested that this money, all open space funding, be used for the drainage work being anticipated. Ordinance 05-12 for the barn in the amount of \$57,306 will be kept in the budget since a grant application was made, which may cover the full cost of a barn. Ordinance 05-14 for stabilization has \$5,839 remaining, and it will be kept in the budget in case repairs are needed to the house.

There were three ordinances for the municipal building (08-15 Improvements; 05-11 OEM; 06-23 Renovations), and \$10,000 was never funded for energy improvements. Mr. Matheny reminded the governing body that they could use \$6,000 of the building funds to finish the stone work to the far corner of the building, if they wished. Additionally, ceiling tile replacement would be around \$6,000-7,000 to complete. The money in the OEM ordinance was for a

transfer switch to use a generator at the municipal building as command headquarters. A generator could be purchased at a substantial cost. The possibility of canceling the ordinance and reintroducing another one when OEM updates costs was suggested; however, a decision to leave the funding in place was made and cancel to reintroduce when OEM gives the correct funding amount.

Further discussion took place on the municipal building ordinances with a recommendation made to cancel the two outstanding ordinances and re-appropriate funding in a new ordinance to cover items being considered. Combining ceiling tiles with the replacement lights (as determined in the energy audit) was suggested. Some discussion took place about the type of tiles to use, aesthetics, and the need to replace the lights as a first step and replace tiles as the second phase, including possible broken tiles, once the lights have been installed. A recommendation was made to leave the ordinances in place, and once the lights have been installed, the ordinance will be reallocated for tiles.

The three road ordinances will be cancelled.

Mr. Matheny briefly spoke about the Direct Install Program, indicating that the Township only pays 20% of the costs associated with the project. The other 80% is paid directly through the program.

There is also \$5,785 in the office equipment ordinance (09-07); funding will remain in place in case any computers need to be replaced.

Mrs. Luhrs noted that \$29,400 was added to operations tonight for roads, and the capital budget is in good shape. She noted that all the cuts made at the February 4, 2010, meeting were gone by adding to the roads budget tonight. If the levy cap is eliminated, the Township will still have to make \$59,000 in cuts; if the levy cap remains, \$130,000 in cuts is still necessary. She noted that the state will be examining the municipal budget this year, which is part of a three year cycle (i.e., for two years, the municipality is on self-exam).

Mrs. Cregar sent an email about a phone call to Auditor Case asking to reduce his billing by \$500; Mr. Case is unable to reduce the billing. Mr. Martin spoke with the Environmental Commission about their salt line item of \$500, and it can be eliminated since the Board of Health is also working on the salt issue. The budget will be adjusted with these two changes.

Mrs. Luhrs will update the budget sheets with the changes made this evening. She reminded the Township Committee that there is \$30,000 in the budget for the salary adjustments and raises if this is the direction that they choose.

Mrs. Luhrs left the meeting at this time.

RESOLUTION TO ENTER EXECUTIVE SESSION

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RESOLUTION # 39-10

WHEREAS, the Open Public Meetings Act, P.L. 1975, Chapter 231 permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, East Amwell Township Committee is of the opinion that circumstances presently exist; and

WHEREAS, the governing body of the Township of East Amwell wishes to discuss personnel issues and contracts; and

WHEREAS, minutes will be kept and once the matter involving the confidentiality of the above no longer requires that confidentiality, then minutes can be made public;

NOW, THEREFORE, BE IT RESOLVED that the public be excluded from this meeting.

By Order of the Township Committee,

Peter Kneski, Mayor

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Motion by Mr. Martin, seconded by Deputy Mayor Lenox, and it was carried unanimously to approve the resolution.

Executive session began at 9:57 p.m.

The regular session resumed at 10:44 p.m.

Appointment of Board of Health Administrative Officer:

Motion by Mr. Tatsch to have Township Administrator Matheny offer Carolyn Fritsch the position of Board of Health Administrative Officer at a salary of \$19.80; if this is not accepted, the matter will come back to the Township Committee. Mrs. Stahl noted that the motion should include an amendment of the existing Salary and Wage resolution for payment to Ms. Fritsch from \$20.58 to \$19.80 per hour, a one year probationary term, and a starting date of March 8 (the beginning of the next pay period). Mr. Tatsch amended his motion, it was seconded by Deputy Mayor Lenox, and the motion was carried unanimously.

The meeting was open to the public for comments. There being no public in attendance, motion by Mr. Martin, seconded by Deputy Mayor Lenox, and it was carried unanimously to close to the public.

A motion to adjourn the meeting at 10:45 p.m. was made by Mr. Martin, seconded by Deputy Mayor Lenox, and it was carried unanimously.

Teresa R. Stahl, RMC/CMC
Municipal Clerk